

House Engrossed

State of Arizona  
House of Representatives  
Forty-fifth Legislature  
Second Regular Session  
2002

CHAPTER 4

**HOUSE BILL 2588**

AN ACT

AMENDING SECTION 28-7510, ARIZONA REVISED STATUTES; RELATING TO STATE HIGHWAY  
FUND BONDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-7510, Arizona Revised Statutes, is amended to  
3 read:

4 28-7510. Parity bonds

5 A. The board may issue parity bonds only when all of the payments due  
6 on the principal and interest on the outstanding bonds are current.

7 B. The board may not issue parity bonds unless both of the following  
8 tests are met:

9 1. The monies subject to pledge for payment of the bonds for the  
10 preceding twelve months exceed by two times the highest annual principal and  
11 interest payments on all of the outstanding bonds and the bonds to be issued  
12 for the highest one year period during the life of both the outstanding bonds  
13 and the bonds to be issued.

14 2. The total principal amount of bonds outstanding, excluding refunded  
15 bonds, at any one time shall not exceed one billion THREE HUNDRED MILLION  
16 dollars, unless the additional amount is authorized by the legislature.

17 C. The bonds sought to be issued shall mature and the principal and  
18 interest are payable at the same time as bonds then outstanding that have the  
19 same priority of lien.

20 D. All bonds issued under this article are deemed to contain the  
21 restrictions against issuance of parity bonds contained in this section,  
22 whether or not the resolution issuing the bonds or the bonds themselves  
23 contain covenants to this effect.

24 E. For purposes of this section, amounts subject to pledge shall be  
25 presumptively determined by a certificate of the chairman of the board.

26 F. The pledge of revenues prescribed in section 28-7504, subsection  
27 A, paragraphs 1 and 2 is not subject to sections 28-6952 through 28-6955,  
28 28-6992, 28-6993 and 28-6995 through 28-7006. The payment of the necessary  
29 fees, charges and expenses incurred in the issuance of the bonds and the  
30 principal of and interest on the bonds are not subject to section 28-7007 but  
31 shall be made in the manner prescribed in the resolution issuing the bonds.

APPROVED BY THE GOVERNOR MARCH 27, 2002.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 27, 2002.

Passed the House March 18, 2002,

by the following vote: 49 Ayes,

5 Nays, 6 Not Voting

[Signature]  
Speaker of the House

[Signature]  
Chief Clerk of the House

Passed the Senate March 21, 2002,

by the following vote: 24 Ayes,

5 Nays, 1 Not Voting

[Signature]  
President of the Senate

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

25 day of March, 2002

at 1:52 o'clock P M.

[Signature]  
Secretary to the Governor

Approved this 27 day of

March, 2002,

at 10:32 o'clock A M.

[Signature]  
Governor of Arizona

H.B. 2588

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 27<sup>th</sup> day of March, 2002

at 3:42 o'clock P M.

[Signature]  
Secretary of State